

**STATEMENT OF PROCEEDINGS FOR THE SPECIAL MEETING OF THE
CITY OF SAN FERNANDO OVERSIGHT BOARD**

**CITY OF SAN FERNANDO
CITY COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CALIFORNIA 91340**

Thursday, August 23, 2012

10:00 a.m.

AUDIO LINK FOR THE ENTIRE MEETING (12-4036)

Attachments: [Audio](#)

I. CALL TO ORDER

Chair Frank called the meeting to order at 10:03 a.m.

II. ROLL CALL

Present: **Chair Judith Frank, Vice Chair Federico Ramirez,
Board Members Robert Moran, Jerry Ramirez, Monte Perez
and Edgar Arroyo**

Absent: **Board Member Jamaar Everett**

III. RECOMMENDATIONS

- 1. Recommendation: Adopt Resolution approving the Recognized Obligation Payment Schedules (ROPS) for the period of January 1, 2013 through June 30, 2013. (Continued from the meeting of 08-09-12) (12-3610)**

Al Hernandez, City Administrator, presented ROPS 3 and reviewed each Line Item by Line Item, and answered the following questions posed by the Oversight Board:

On Line Item 2, 2006 Tax Allocation Bond Series, Board Member Perez questioned if 2006 Tax Allocation Bond Series payment had to be made at this time. Mr. Hernandez responded that in ROPS 1 the payment was asked for, to be applied to the principle and that in ROPS 2 payment was made toward the interest. The amounts will be fluctuating between Calendar Year, whereas the earlier part will reflect the principle and the later the interest rate.

Board Member Perez questioned what the rationale was making the payment for Line Item No. 4, Retirement Override Assessment, now than later? Mr. Hernandez responded that Line Item No. 4 are monies due to the City. The Successor Agency staff is requesting payment from ROPS 2 of \$50,000 that was not received. In addition, the ROPS 3 schedule includes an additional request of \$420,871. This results in a total requested amount of \$470,871. In ROPS 4 the Successor Agency will request the remaining balance of \$21,477.

Mr. Hernandez informed the Oversight Board that Line Item Nos. 7 through 11 are Administrative Costs. In light of the Administrative Costs, Board Member Moran made a comment pertaining to Line Item No. 18, Due Diligence Review from the August 9, 2012 meeting, which he informed the Oversight Board that he had the impression that this can be a separate line item on the ROPS, since then there was some indication from the Department of Finance (DOF) that Line Item No. 18 is an administrative expense. Mr. Hernandez, appreciates the follow up and after discussion, it was determined to leave it as is, and have the DOF make the determination if it is a separate line or include it in the administrative cost.

Chair Frank had a concern on Line Item No. 12, Wilshire Ventures, Attorney Fees, is there a settlement involved or expenditure? Mr. Hernandez informed the Oversight Board that there is none and waiting for a release form from all parties to close out the case.

Chair Frank questioned if there is an amount in dispute for Line Item No. 13, LAUSD Litigation? Mr. Hernandez informed the Oversight Board that there is an amount in dispute but currently County of Los Angeles has not determined the amount assessed.

On Line Item No. 14, Project No. 1/89 Annex, County of Los Angeles, Mr. Hernandez informed the Oversight Board that the \$100,000 was not approved by the Department of Finance due to the fact that the loan agreement was not entered into by the Successor Agency and the County of Los Angeles within the first two years of the Redevelopment Agency existence. Two letters of reconsideration of this item was submitted to the DOF. This Line Item was placed back on the ROPS 3 for reconsideration. Board Member Perez requested that under the Total Due During Fiscal Year 2012-13 reflect \$111,930 and not \$100,000. Board Member Moran also suggested that a note describing the reasoning behind the enforceable obligation be placed for DOF perusal.

Board Member Moran and Vice Chair Ramirez, requested Mr. Hernandez to provide back-up material for clarification of Line Item No. 17, Retirement Tax Override, which the Successor Agency feels the County of Los Angeles made an error in the calculations of the Residual Amount due. Vice Chair Ramirez and Board Member Perez further suggested that the supporting documentation include a letter presenting the methodology on how Line Item No. 17 was determined, and, if possible, a flow chart.

Board Member Perez needed clarification on payments scheduled for Line Item No. 16, SERAF Loan Payments. Mr. Hernandez informed the Oversight Board presuming monies are received for this Line Item, last payment would be June 2015.

Vice Chair Ramirez suggested that Line Item No. 18, Due Diligence Review as required by AB 1484, be increased by \$3,000 to cover unanticipated obligations. Mr. Hernandez informed the Oversight Board that an increase on Line Item No. 18 will lead to decreasing Line Item No. 17, Retirement Override Tax \$3,000. The Oversight Board agreed to leave Line Item No. 18 at \$15,000.

On motion of Board Member Moran, seconded by Vice Chair Ramirez, unanimously carried, the Oversight Board adopted the Resolution Approving the Recognized Obligation Schedules for the period of January 1, 2013 through June 30, 2013, with an amendment on Line Item No.14 to reflect \$111,930 instead of \$100,000, by the following vote:

Ayes: 6 - Board Members Moran, J. Ramirez, Perez, Arroyo, Vice Chair Ramirez, and Chair Frank

Absent: 1 - Board Member Everett

Attachments: [Staff Report, Resolution, ROPS 3](#)

[Supporting Documentation](#)

2. Recommendation: Approve a resolution adopting the Successor Agency to the San Fernando Redevelopment Agency Administrative Budget for the period of January 1, 2013 through June 30, 2013 and the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency. (12-3904)

Al Hernandez, City Administrator presented the Administrative Budget, and answered questions posed by the Oversight Board, and made reference to Exhibit "A" of the Staff Report where the Successor Agency took Funds Received from ROPS 2, and added the Short-Fall amount, for the ROPS 3 requested amount.

On motion of Vice Chair Ramirez, seconded by Board Member Perez, duly carried by the following vote, the Oversight Board adopted the Resolution approving the Successor Agency to the San Fernando Redevelopment Agency Administrative Budget for the period of January 1, 2013 through June 30, 2013:

Al Hernandez, City Administrator also presented for discussion and the Oversight Board's review, the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency.

On motion of Board Member Moran, seconded by Vice Chair Ramirez, duly carried by the following vote, the Oversight Board adopted the Resolution approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency:

Ayes: 6 - Board Members Moran, J. Ramirez, Perez, Arroyo, Vice Chair Ramirez, and Chair Frank

Absent: 1 - Board Member Everett

Attachments: [Staff Report, Resolution, Cooperative Agreement](#)

IV. STAFF COMMUNICATION

Al Hernandez made a verbal presentation pertaining to the Cash Flow Report requested by the Oversight Board at the August 9, 2012 meeting. The Successor Agency did not have the time or all the necessary information to complete the report, and in addition adjustments are still being made for the 20% Set-Aside. The Cash Flow Report should be available for the Oversight Board's review by next meeting in September.

Mr. Hernandez also stated that Successor Agency staff was able to prepare information on the Parking Lots as requested at the July 19, 2012 meeting and provided supporting documentation for the Oversight Board's review.

V. MISCELLANEOUS

- 3. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (12-3901)**

No matters were presented.

- 4. Public Comment. (12-3902)**

There was none.

- 5. Adjournment. (12-3903)**

The meeting adjourned at 10:48 a.m. The regular meeting of Thursday, September 13, 2012 has been cancelled. A Special Meeting has been scheduled for Wednesday, September 26, 2012 at 10:00 a.m.